

# SENATE MOTION

**MR. PRESIDENT:**

**I move** that Engrossed House Bill 1001(ss) be amended to read as follows:

- 1       Page 148, between lines 28 and 29, begin a new paragraph and
- 2       insert:
- 3       "SECTION 128. IC 8-1-2-42.4 IS ADDED TO THE INDIANA
- 4       CODE AS A NEW SECTION TO READ AS FOLLOWS
- 5       [EFFECTIVE JANUARY 1, 2003]: **Sec. 42.4. (a) As used in this**
- 6       **section, "municipally owned utility" and "public utility",**
- 7       **respectively, have the meanings set forth in IC 8-1-2-1.**
- 8       **(b) As used in this section, "qualified tax change" means any**
- 9       **increase or decrease in the total taxes due and payable by a public**
- 10       **or municipally owned utility in a particular taxable year for**
- 11       **providing utility service as a result of a change in federal, state, or**
- 12       **local taxes.**
- 13       **(c) As used in this section, "utility service" means public or**
- 14       **municipal utility service furnished to a customer for ultimate**
- 15       **consumption.**
- 16       **(d) As used in this section, "rate adjustment mechanism" means**
- 17       **a:**
- 18               **(1) tracking provision;**
- 19               **(2) surcharge provision; or**
- 20               **(3) similar mechanism or provision;**
- 21       **approved by the commission to periodically adjust a public or**
- 22       **municipally owned utility's rates and charges for utility service to**
- 23       **allow for the recovery of a qualified tax change.**
- 24       **(e) Upon the petition by any mercantile, agricultural, or**
- 25       **manufacturing society or by any body politic or municipal**
- 26       **organization or by ten (10) persons, firms, limited liability**
- 27       **companies, corporations, or associations or ten (10) complainants**
- 28       **of all or any of the aforementioned classes or by any public or**
- 29       **municipally owned utility, the commission may allow a public or**

1 municipally owned utility under the jurisdiction of the commission  
2 to recover qualified tax changes through a rate adjustment  
3 mechanism if the commission finds that the rate adjustment  
4 mechanism is in the public interest.

5 (f) The commission shall promptly review a petition filed under  
6 this section for completeness. The commission may request  
7 additional information the commission considers necessary to aid  
8 in its review.

9 (g) The commission shall, after notice and hearing, issue a  
10 determination upon a petition filed under subsection (e) not later  
11 than one hundred eighty (180) days after the date of the filing.

12 (h) The commission shall not change the rate adjustment  
13 mechanism more than once during any twelve (12) month period.

14 (i) When applicable, the commission shall make any  
15 adjustments to a public utility's expense tests and return tests  
16 during the twelve (12) month test period considered by the  
17 commission in an application under section 42(d) or 42(g) of this  
18 chapter or under IC 8-1-13-30(d), whichever applies, necessary to  
19 permit the public utility to retain the revenues resulting from a  
20 rate adjustment mechanism approved by the commission under  
21 this section."

22 Renumber all SECTIONS consecutively.

(Reference is to EHB 1001(ss) as printed June 13, 2002.)

---

Senator SIMPSON